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## GENERAL INFORMATION

Adult services warrants are processed through the Michigan Department of Health and Human Services (MDHHS) Adult Services Authorized Payments (ASAP) system and are rewritten by the MDHHS Medicaid Payments Unit (MPU).

The adult services specialist is responsible for determining the disposition of all adult services program warrants returned to the Department of Treasury. The DCH-2362A, Adult Services Warrant Rewrite/Disposition Request, is the form used when determining if a warrant needs to be rewritten or canceled.

### DCH-2362A

The DCH-2362A is generated electronically by ASAP or provided by the MDHHS Medicaid Payments unit when a warrant is canceled, stopped or returned to Treasury as undelivered.

When a warrant includes multiple clients (agencies or adult foster care providers) and multiple adult services specialists are involved with one rewrite request, the request is to be coordinated by the Medicaid Payments Unit.

## WARRANT REWRITE ACTIONS

The **original** warrant may be rewritten **once**. All information pertaining to the client must be accurate in ASCAP. The provider information must be up-to-date in the Community Health Automated Medicaid Processing System (CHAMPS). The specialist must verify the following before processing the DCH-2362A:

- Dual-party warrants:
  - Client address information must be updated on the Basic Client screen in ASCAP.
- Single-party warrants:
  - Changes to the provider's primary pay to address must be updated in CHAMPS before a warrant can be rewritten. The primary pay to address is the location the warrant is mailed if single party.

- The primary pay to address for providers can only be updated in CHAMPS by the MDHHS Provider Enrollment (PE) Unit. Providers must submit a written request to:

MDHHS Provider Enrollment Unit  
P. O. Box 30437  
Lansing, MI 48909

- The adult services specialist has the ability to view provider contact information in ASCAP.
- Agency or business providers:
  - The provider information in CHAMPS and Vendor Registration (MAIN) must match.
  - When there is a change in address, agencies **must** update their information online with Vendor Registration using Contract and Payment Express (C&PE) at [www.michigan.gov/CPEXpress](http://www.michigan.gov/CPEXpress).
  - Send a written request to the MDHHS Provider Enrollment unit to update the primary pay to address in CHAMPS.

### Acceptable Actions

The following are acceptable actions for a warrant rewrite:

- A warrant can be replaced for the period covered in the original warrant once the warrant has been canceled or voided by Treasury.
- A warrant can be rewritten for the same amount or a lesser amount than the original warrant.
- A dual-party warrant can be rewritten to a provider only.

### Unacceptable Actions

The following actions are **not** acceptable for a warrant rewrite:

- Warrants cannot be rewritten to a provider other than the provider identified in the original warrant.

**Note:** To issue a warrant to a different provider, the original warrant must be canceled and a new authorization must be entered on the ASCAP payment screen for the new provider.

- Warrants cannot be rewritten for an amount higher than the amount of the original warrant.

**Note:** Increases in warrant amounts are processed as retroactive payment adjustments on ASCAP.

- Warrants cannot be rewritten if pulled by Treasury; see ASM 161 for Treasury status codes.

**Adult services specialists are not to accept returned warrants.** Warrants must be returned to the Department of Treasury at the following address:

Department of Treasury  
Office of Financial Services  
P. O. Box 30788  
Lansing, Michigan 48909

## PAYMENT HISTORY

A history of adult services warrants can be viewed in ASCAP by clicking the Authorization History ICON and selecting the DCH Payroll function button. The Adult Services Authorized Payment system (ASAP) maintains a payment history dating back to April 2006.

## WARRANTS RECEIVED BY THE LOCAL OFFICE

Adult services program warrants received by the local office must be voided per the accounting procedural manual and returned to the Department of Treasury at the following address:

Department of Treasury  
Office of Financial Services  
P. O. Box 30788  
Lansing, Michigan 48909

**WARRANTS  
RETURNED TO  
THE  
DEPARTMENT OF  
TREASURY**

When a warrant is returned to Treasury by the local MDHHS office, client/payee, or U.S. Post Office, the status is updated to undeliverable.

**Actions**

The following outlines the action steps that must be taken by various parties in the process of rewriting warrants returned to Treasury.

- Adult Services Authorized Payment System (ASAP) Generates and forwards an electronic version of the DCH-2362A, Adult Services Warrant Rewrite/Disposition Request, to the MDHHS local office designee (LOD) via email.

***MDHHS Local Office Designee (LOD)***

- Receives email notice that warrant has been returned to Treasury.
- Prints the attached DCH-2362A received from ASAP (items 1-13 are pre-filled).
- Forwards the original DCH-2362A to the adult services specialist.

***Adult Services Specialist***

- Determines if the warrant needs to be rewritten or canceled and completes appropriate item(s) on the DCH-2362A within **ten business days**.
- Before completing the DCH-2362A, verifies the client's address is correct on the **Basic Client** screen in **ASCAP** for dual party warrants. If the warrant will be rewritten to a single payee, verifies the provider's address is correct in CHAMPS.
- Completes the DCH-2362A and obtains supervisor signature (see instructions for completion of the DCH-2362A at the end of this item).

***MDHHS Local Office Designee (LOD)***

- Retains a copy of the DCH-2362A in accounting files.
- Scans and email the DCH-2362A to the MDHHS Medicaid Payments mailbox at MDHHS-Medicaid-Payments-Unit@michigan.gov or sends via FAX to 517-763-0160 (scanning is the preferred method).

***MDHHS Medicaid Payments Unit***

- Receives the DCH-2362A from the MDHHS local office designee and processes the rewrite or cancellation.

**Note:** Warrants rewritten by the MDHHS Medicaid Payments Unit (MPU) will be generated the week after MPU has completed processing the rewrite.

**LOST,  
DESTROYED, NOT  
RECEIVED AND  
STOLEN  
WARRANTS**

Warrants reported lost, destroyed, not received or stolen may be replaced/rewritten **after recovery** is made on the original warrant.

Recovery means the value of the warrant has been credited back to the account it was written from or if a forged warrant has cleared Treasury, the party which cashed the forged warrant has reimbursed the state.

**Lost/Not  
Received  
Warrants****Action*****Payee***

- Reports to the adult services specialist that a warrant was lost or not received.

***Adult Services Specialist***

- If a warrant was not received, the adult services specialist must review ASAP Payment History to see if the warrant was issued.

- If the warrant was not issued, determine the reason why and correct the problem. Suggested methods for identifying reasons why a warrant was not received include:
  - Verify the payment authorization was entered on ASCAP.
  - Verify client's Medicaid eligibility status on the Bridges Eligibility screen in ASCAP. If Medicaid is not active for the time period in question, a warrant will not be generated.
  - For AFC/HA payments, verify the status of the claim by selecting the ASAP Claims tab under the DCH Payroll button in ASCAP.
  - Verify provider eligibility status was not end dated in CHAMPS. (Provider deceased or provider status end dated in error).
- If the warrant disposition shows an issue status, instruct the client/provider to follow up with the post office to verify delivery.
  - If delivery **cannot** be verified, consider the warrant not received.
  - If the delivery is verified, but client/provider claims non-receipt, consider the warrant **lost** or **stolen**.
    - If the warrant was issued and the disposition code indicates the warrant was returned to Treasury as undelivered, **do not** complete the 1778. ASAP will generate a DCH-2362A for the warrant to be rewritten or canceled.
    - If the warrant indicates that it was pulled by Treasury **do not** proceed with stop/rewrite; see ASM 161 for Treasury status codes.
- **Waits 5-7 mail delivery days** from warrant date prior to pursuing the completion of the 1778 by the client/payee.
- The 1778 must be completed by the payee (s) **listed on the warrant**. For dual party warrants, if one of the parties is unable to sign, (client deceased or moved out of state) provide explanation on the 1778 in box 29.

- Records his/her name and email address on the bottom of the 1778 in the event the MDHHS Medicaid Payments unit needs to contact the adult services specialist.

**Note:** Treasury only requires one copy of the 1778 to be signed; sealed and notarized by a notary public (it is acceptable to make additional photo copies).

- If the warrant was lost, instructs the payee (s) that if the warrant is found **after** the 1778 is processed, the warrant **must not** be cashed. The warrant must be voided and returned to Treasury.

**Note:** Prior to voiding the warrant and returning it to Treasury, the adult services specialist should contact the Medicaid Payments Unit to see if the 'stop payment' can be lifted. If the stop payment is lifted, the warrant may be cashed. If the stop payment cannot be lifted, the warrant must be voided and returned to Treasury so it can be rewritten.

- **Disregard the distribution instructions on the bottom of the 1778 and use the following:**
  - Retain a copy in the case record.
  - Give a copy to the client/payee.
  - Forward a copy to the MDHHS local office designee.

#### ***MDHHS Local Office Designee (LOD)***

- Scans and emails the 1778 to the MDHHS Medicaid Payments unit at MDHHS-Medicaid-Payments-Unit@michigan.gov or sends via FAX to 517-763-0163 (scanning is the preferred method).

#### ***MDHHS Medicaid Payments Unit***

- Receives the 1778 and initiates the stop payment on Adult Services Authorized Payment (ASAP) system.

**Note:** The warrant cannot be rewritten until ASAP indicates it has been canceled.

- ASAP will generate an electronic version of the DCH-2362A to the MDHHS local office designee.

***MDHHS Local Office Designee (LOD)***

- Forwards the DCH-2362A to the adult services specialist.

***Adult Services Specialist***

- Completes appropriate item(s) on the DCH-2362A and returns to the MDHHS local office designee **within 10 business days**.

***MDHHS Local Office Designee (LOD)***

- Scans and emails the DCH-2362A to the MDHHS Medicaid Payments unit at MDHHS-Medicaid-Payments-Unit@michigan.gov.

**Stolen/Forged**

If a warrant was issued and the disposition status shows **paid**, the warrant has been cashed. If the payee claims they did not receive or cash the warrant, they must complete the 1354, Affidavit Claiming a Forged Endorsement on a State Treasurer's Warrant.

If the warrant was stolen, the payee must file a police report (verification required by furnishing the report number or copy of report).

**Note:** Lost warrants do not require a police report.

**Action*****Adult Services Specialist***

- Reviews warrant information under the DCH Payroll function in ASCAP, to ensure the warrant has not been pulled by Treasury (see ASM 161 for Treasury codes).
- Requests a copy of the warrant using Treasury form 1363, Request for Copy of Original Warrant, from MDHHS Medicaid Payments unit or directly from Treasury.
- When the copy of the warrant is received, schedules an appointment with the payee (s) in the local office to view the endorsements on back of the warrant.
- If the payee(s) claims forgery, the 1354 is signed in the presence of a notary public.



**Note:** All six pages of the 1354 **must** be completed, signed and sealed by a notary public. (Treasury requires four original copies).

- If a client or provider refuses to sign the affidavit on a dual party warrant, the warrant cannot be rewritten. This now becomes a civil matter and possible fraud referral to OIG.
- If one of the payees of a dual party warrant endorses the warrant it will not be rewritten.
- If the client or payee admits endorsing the warrant, obtain a signed statement to that effect. No further action is required.
- Retains a copy of the signed 1354 and copy of the cashed warrant in the case record, and gives a copy of the affidavit to the client/provider.
- Forwards the remaining **four** original copies of the 1354 and copy of warrant to the local office designee.

***MDHHS Local Office Designee (LOD)***

- Logs receipt of the 1354 and copy of cashed warrant according to accounting procedures.
- Forwards the **four original copies** of the 1354 to MDHHS Medicaid Payments Unit via ID mail to:

MDHHS Bureau of Finance  
Expenditure Review/Medicaid Payments Unit  
Grand Tower Building  
235 S Grand Avenue, Suite 1005  
Lansing, MI 48933

***MDHHS Medicaid Payments Unit***

- Reviews the 1354 for accuracy.

**Note:** If the affidavit is inaccurate or incomplete it will not be processed. MDHHS Medicaid Payments unit will notify the adult services specialist assigned to the case.

- If the monies are recovered, MDHHS Medicaid Payments unit will send an electronic version of the DCH-2362A to the MDHHS local office designee.

**Note:** If the warrant **cannot** be rewritten, the MDHHS Medicaid Payments unit will notify the adult services specialist in writing via email.

***MDHHS Local Office Designee (LOD)***

- Forwards a copy of the DCH-2362A to the adult services specialist for completion.

***Adult Service Specialist***

- Completes the DCH-2362A and returns to the MDHHS local office designee **within ten business days**.
- If the warrant cannot be rewritten, the adult services specialist notifies the client/provider.

**Note:** If the client and/or provider disagree with the decision not to issue a replacement warrant, the client may request an administrative hearing. The provider must send a letter to the Administrative Tribunal.

There is a statute of limitation on forgery claims, therefore, these claims are time sensitive. Financial institutions do not have to honor a forgery claim if it is three years past the date of the warrant.

**Forgery resolutions could take up to a year.**

**Mutilated/  
Destroyed  
Warrants**

If the remains of a mutilated warrant identifies the warrant number, the warrant must be returned to Treasury. The completion of the 1778, Affidavit Claiming Lost, Destroyed, Not Received, or Stolen State Treasurer's Warrant is not necessary. Once the warrant is returned to Treasury and cancelled, ASAP will generate a DCH-2362A and forward to the local office designee.

If the remains of the mutilated warrant does not identify the warrant number, a 1778 must be completed. Follow the procedures for the completion of the 1778 listed under the Lost/Not Received Warrant section in this manual item. warrants canceled by treasury, over 180 days old

After 180 days, uncashed warrants are automatically canceled by Treasury. These warrants will display a disposition reason of **can-**

**celebrated over 180 days old.** The Adult Services Authorized Payment system (ASAP) will generate a DCH-2362A and forward it via email to the MDHHS local office designee. The DCH-2362A is forwarded to the adult services specialist for processing. The specialist must follow the instructions for rewriting a warrant previously noted in this item.

#### **WARRANTS NOT ISSUED BECAUSE OF INVALID PROVIDER TAX ID NUMBER**

Invalid provider tax identification numbers for home help agency providers or adult foster care/homes for the aged providers will result in adult services warrants not being issued. Provider tax numbers include social security and federal tax identification numbers.

#### **Provider Tax ID Numbers**

##### ***Adult Foster Care/Homes for the Aged Providers***

Licensed providers such as adult foster care and homes for the aged must use the same social security or federal tax identification number, associated with their license, on both Bridges and Vendor Registration. The Bureau Information Tracking System (BITS) sends the licensee information to Bridges. The same tax ID number used in BITS must be used in Bridges. Vendor Registration will use the tax number supplied by the provider when the vendor registers with the State of Michigan through Contract and Payment Express (C&PE). If the tax ID numbers on BITS and Bridges do not match, payments **will not be processed**.

##### ***Home Help Agency Providers***

Home help providers that are agencies/businesses will enter their federal tax id number in CHAMPS during the provider enrollment process.

Vendor Registration will use the tax ID number supplied by the provider. Agencies must update their information online with Vendor Registration by using Contract & Payment Express (C&PE) at [www.michigan.gov/CPEXpress](http://www.michigan.gov/CPEXpress).

**Determining  
Validity of  
Provider Tax ID  
Numbers**

Payments with invalid provider tax ID numbers for adult foster care, homes for the aged or home help agency providers will not be issued.

These providers will be identified on the Department Auto Financial Report (DAFR). The DAFR is an error report produced by the ASAP system and used by central office.

**Correcting  
Invalid Provider  
Tax ID Numbers**

Providers with an invalid tax number must be contacted to determine the correct tax number.

Adult foster care, homes for the aged and home help agency/business providers must update their information online with Vendor Registration by using Contracts and Payment Express at [www.michigan.gov/CPEXpress](http://www.michigan.gov/CPEXpress).

***All Adult Services Providers***

Social security or federal tax ID numbers can only be changed in CHAMPS by the Provider Enrollment unit.

**Note:** A W-2 correction will be required at the end of the tax year for individual providers with an incorrect social security number in CHAMPS; see ASM 146, W-2 and 1099.

***AFC/HA Providers***

Corrections to the tax ID number associated with a licensed AFC/HA should be brought to the attention of the Bureau of Community and Health Systems (BCHS). Refer AFC/HA providers to the BCHS Hotline at 866-685-0006.

Providers must correct their tax ID number online with Vendor Registration through Contract and Payments Express at [www.mi.gov/cpexpress](http://www.mi.gov/cpexpress).

**Note:** Warrants not issued due to an invalid tax ID number are suspended and do **not** require a warrant rewrite. Once the tax ID number is corrected, warrants will be processed.

## GARNISHMENT

A writ of garnishment is how some creditors recover unpaid debt. Wage garnishment in Michigan comes after a court-ordered judgment.

Single party warrants are considered earnings to the provider and **are** subject to garnishment. Dual party warrants **are not** subject to garnishment as these payments are a benefit to the client.

Forward new requests for garnishment, received at the local DHHS office, to:

Michigan Department of Health and Human Services  
Bureau of Legal Affairs  
333 S. Grand Ave, 5th Floor  
Lansing, Michigan 48933

## TREASURY OFFSET

The Department of Treasury can pull a warrant to offset a debt owed to the state by the provider; see ASM 161, Warrant Treasury Codes and Disposition Status.

If the provider disputes this action, the specialist should refer them to:

Department of Treasury  
Collections Offset unit, 3rd Party  
517-636-5333

**Note:** When single party warrants are pulled by Treasury, they **cannot** be rewritten.

## COMPLETION OF THE DCH-2362A

The DCH-2362A, Adult Services Warrant Rewrite/Disposition Request, is generated by the Adult Services Authorized Payment (ASAP) system and is used to rewrite all adult services warrants. The MDHHS Medicaid Payments unit sends the form electronically via email to the MDHHS local office designee to be forwarded and completed by the adult services specialist.

**Instructions*****Items 1-13***

These fields are prefilled by the ASAP system. The client recipient ID number is used in lieu of the case number.

***Item 14***

Select the appropriate action code. Select only **one**.

**Action Code 01 - Rewrite Warrant**

- Use this code if the warrant must be rewritten for the same or lesser amount.

**Note:** For home help, the warrant amount is the cost of care authorized before FICA or client pay (deductible) is deducted (gross amount).

- Use this code if the warrant must be rewritten from a dual party to a single party payee.

**Action Code 02 - Cancel Warrant**

- Select this code if the warrant needs to be permanently canceled.

**Note:** If a warrant is canceled in error, revise the DCH-2362A and resubmit to MDHHS Medicaid Payments unit via email at MDHHS-Medicaid-Payments-Unit@michigan.gov.

- Select this code if a warrant needs to be issued to a different provider. An authorization for the alternate provider must be approved on ASCAP.

**Action Code 03 - Leave Status as Undeliverable**

Not applicable. Do not select this option.

***Item 15A***

**Rewrite Code** - Select only one rewrite code from the list. Complete if item 14, Action Code 01 is selected.

**Item 15B**

**Reason/Disposition Code** - Select one or more of the appropriate codes. Complete if item 14, Action Code 01 is selected.

- Outdated or Voided Warrant - Select if the warrant was canceled by Treasury after 180 days.
- Change in Amount - Select if the warrant needs to be rewritten for a lesser amount.
- Correction in Payee Name - Not applicable
- Mutilated Warrant - Not applicable
- Send Rewrite to Local Office - If applicable
- Pay Client Only - Used only for service animal warrants.
- Pay Provider Only - Select this option if the warrant must be rewritten to the provider only.
- Pay Third Party Only - Not applicable for adult services programs.
- Change of Address - Complete items 17-23 on form. Provider information must be current in CHAMPS and/or client information must be updated on ASCAP before completing the rewrite.
- Delete Third Party - Not applicable.

**Item 16A**

**Rewrite Warrant** - Select this box if the warrant is to be rewritten. Complete if item 14, Action Code 01 is selected. Complete 17-24.

**Item 16B**

**Cancel Warrant** - Select this box if the warrant needs to be canceled. Provide a reason for canceling the warrant. Complete if item 14, Action Code 02 is selected; proceed to item 25, specialist signature.

**Items 17-18**

**First/Second Payee Name** - Complete if item 14, Action Code 01 and 16A are selected. The first payee represents the provider. The second payee represents the client.

**Note:** A warrant cannot be rewritten to a different provider.

**Items 19-23**

**Address** - Complete if item 14, Action Code 01 and 16A are selected. Enter entire address where rewritten warrant should be mailed, including apartment or mobile home lot number, if applicable. When a post office box is used, it must be entered on line 20. Enter only **one** mailing address.

**Item 24**

**New Warrant Amount** - Enter the **gross** amount of the original warrant. If the new warrant amount is for a lesser amount, enter the **gross** amount calculated before FICA or client co-pay is deducted.

**Note:** Increase in payment for home help warrants are processed through ASCAP by modifying the original authorizations.

**Item 25**

**Worker's Signature and Date** - This item is prefilled by the MDHHS adult services authorized payment (ASAP) system. In addition, the specialist must enter a legible signature and date.

**Item 26**

**Supervisor's Signature and Date** - This item is pre-filled by the MDHHS adult services authorized payment (ASAP) system. The supervisor approving the action must enter a legible signature and date.